

THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT

POLICY FOR

LAY EMPLOYEE SALARIES AND REVIEW PROCEDURES

Introduction

At its July 2012 meeting the Resources Team considered a consultation paper, "Lay Employee Salary Scales", prepared by the Bursar and accepted the fundamental principles proposed.

This document now sets out the specifics of the Policy and the practical procedures for ongoing monitoring and review.

General Principles

1. The method of calculation of remuneration shall follow Connexional guidelines found in The "Lay Employment Advisory Pack"
2. The policy shall only be applicable to those lay employees of the Circuit who are employed under the terms of a formal contract/terms of employment
3. There will be no salary scale with lower and upper pay/spine points therefore all lay employees will be paid a rate for the job.
4. Ongoing remuneration per se will not be linked to performance
5. All lay jobs will be re-evaluated on an annual basis in order to ensure that the Job Description and Person Specification for the role mirrors any evolution in the nature of the job
6. A fundamental principle is that we pay for the attributes of the job deemed to be essential. In other words we do not pay more for an over qualified job holder
7. We will always pay above the minimum rate recommended by the Connexion (subject to budgetary constraints)
8. **The Circuit Mission Enabler's rate of pay is determined separately from this policy. From a base of £25,057 as at 1/9/2013 the pay will be subsequently increased at the same percentage rate as is applied to the Methodist Ministers' Standard Stipend in September of each year. All other terms of this policy still apply.**

Background

When each current lay employee was first employed an initial rate of pay was established on an ad hoc basis based on limited(?) research into roughly comparable jobs in the non voluntary sector. There is one exception and that is the Training Consultant who happens to be an ordained Methodist Minister and we link the rate of pay on a pro rata basis to the standard minister's stipend.

The Methodist Church and therefore the Circuit and its churches are in the "not for profit" sector and this, brings a difference in approach to pay and remuneration levels. In particular we need to avoid the career based scale approach which over time can lead to differing rates of remuneration for people undertaking the same job.

Setting the rate of Remuneration

This will be made up of two component parts:

- a) A baseline rate of pay applicable no matter what the job is
- b) Additional remuneration linked to the relative complexity of jobs. "Complexity Points" will be awarded to certain essential attributes in the Person Specification

a) **Baseline Pay**

- a. The Methodist Conference determined in 2007 that the minimum rate of pay applicable to lay employees was to be The Living Wage (sometimes referred to as the Ethical Wage) which is set by Church Action on Poverty. The current rate is £8.25 per hour effective from 2 November 2015 which is a significant percentage increase on the prior year figure of £7.85.
- b. As a consequence of the increase above, we have capped (July 2016) our baseline pay at £8.33663 per hour
- c. Methodist rates of pay are linked to a 40 hour working week with part time pay being calculated on a pro rata basis.
- d. **Our baseline pay will always be set at a rate which is no lower than The Living Wage**

b) **Complexity Points (see Appendix A)**

- a. We will follow the Connexional policy where up to 9 points may be awarded to a job based on the need for the job holder to have/display certain essential attributes either linked to academic qualifications and/or experience and responsibilities
- b. Each Complexity Point carries an annual remuneration figure which we have set at **£1,188** (*although this is significantly above the Connexional figure of £495 it reflected the remuneration of our lay employees when this policy was originally implemented and was what we believed to be a fair market rate*)

Salary Setting & Review Procedures

New Roles – The Circuit Resources Group (with power to co-opt) will draft a Job Description and Person Specification, determining the number of “Complexity Points” attributable to the job. It will be responsible for liaising with the District Lay Employment Adviser (DLEA) to ensure that all necessary procedures etc., have been put in place so as to comply with current employment legislation.

Once the DLEA has approved the documentation (salary/remuneration being at the discretion of the Circuit save for ensuring that the minimum remuneration is The Living Wage) the Resources Group will submit its recommendation to the Circuit leadership Team for approval and onward recommendation to the Circuit Meeting.

Existing Roles Review – The remuneration and Person Specification (and Job Description where applicable) shall be reviewed annually in May by the Resources Group. Any remuneration increases will be effective from the immediately following 1 September and use the Living wage in force at the date of the review.

- i. **The Baseline** only element of the salary shall be increased by the same percentage by which the Methodist Conference increases the stipend of presbyters and any such increase be applicable from 1 September of the year of review provided always that the increased figure is no less than The Living Wage or any other such benchmark the Methodist Conference may determine.

If there is a decrease in The Living Wage (or any other such benchmark the Methodist Conference may determine) then there will be no downward adjustment to the Baseline Salary.

- ii. **The Complexity Points** applicable to a role will be reviewed annually in November by the Resources Group. This will comprise of a review of the **Job Description and Person Specification** to ensure that both still reflect what is expected and required of the role.

The monetary figure associated with the Complexity point shall also be increased by the same percentage by which the Methodist Conference increases the stipend of presbyters

- iii. **Part Time Roles** will also be reviewed at least annually to ensure that the demands of the job can be reasonably met within the current allocated hours. Any recommendations for either an increase or decrease in hours shall be made to the Circuit leadership Team

Subject to budgetary constraints, the then current baseline salary and the rate for Complexity Points may be reduced by agreement of the Circuit Leadership Team.

The Circuit Leadership Team shall be the decision making body for the reviews contemplated above.

Extract from the Connexional Guidelines

POINT SYSTEM (Referred to as “Complexity Points”)

There is a basic salary set for employees and this is reviewed on an annual basis.

Where the post requires the post holder to have specific experience and/or undertake a higher level of responsibility, the person specification must set this out clearly. Then, in recognition of this, where certain criteria are met, additional points in the areas of qualifications, experience and responsibilities can be awarded to give an increase to the basic salary.

Criteria

The following sections give some idea of the areas where increases to the basic salary could be made. These criteria must be clearly stated in the person specification before the position is advertised. A maximum of 3 points can be awarded in each of the following sections.

Section A: Qualifications (job related qualifications)

Choose one of the following (please note that the National Qualifications Framework is in the process of being correlated with the Framework for Higher Education Qualifications, and that a fuller and updated list may be obtained from the Development and Personnel Office, Methodist Church House, 25 Marylebone Road, London NW1 5JR)

- A-level, Advanced GNVQ, level 3 NVQ, or equivalent = 1 point
- Appropriate undergraduate Diploma or Degree, level 4 NVQ or equivalent = 2 points
- Appropriate postgraduate Diploma or Degree, level 5 NVQ, Professional Qualifications or equivalent = 3 points

Section B: Proven Ability (Previously referred to as Experience)

- Can demonstrate how proven ability through past experiences show understanding of the work to be undertaken = 1 point.
- Can demonstrate how proven ability through past experiences will contribute to the development of the post = 1 point.
- Can demonstrate how proven ability through past experiences will contribute to strategic thinking = 1 point.

Section C: Responsibilities

- Does the post hold Managerial and Supervision responsibilities? i.e. the postholder would be required to recruit, train and manage volunteers. If yes = 1 point.
- Does the post involve complexity i.e. the post holder would be involved in a range of tasks covering various functions some of which may be described as demanding or complex? If yes = 1 point.
- Will the post holder be responsible for making decisions? i.e. difficult or important decisions on a regular basis, within established policy, where many factors must be weighed, and /or makes decisions leading to changes in procedures affecting others. If yes = 1 point.

A maximum of 9 points can be awarded.